

August 4, 1987

Eleanor Johns Willie Brown Campaign Committee 1515 Vallejo Street San Francisco, Ca 94109

Re: Our File No. I-87-178

Dear Ms. Johns:

This is to confirm the informal assistance provided to you by Sandi Taylor of this office concerning reporting campaign expenditures made by an agent or independent contractor on behalf of a candidate or committee.

In reviewing the data contained in the consolidated campaign statement filed by Willie L. Brown, Jr. and Assembly Democrats for the period 10/19-12/31/86, we noticed that payments made by Focus Media on behalf of the committee were not itemized. That is, payments were shown to Focus Media for "broadcast time," however, the payments made by Media Focus to the broadcast companies were not itemized.

Section 84303 of the Political Reform Act1/ provides:

No expenditure shall be made, other than overhead or normal operating expenses, by an agent or independent contractor, including but not limited to an advertising agency, on behalf of or for the benefit of any candidate or committee unless it is reported by the candidate or committee as if the expenditure were made directly by the candidate or committee. The agent or independent contractor shall make known to the candidate or committee all information required to be reported by this section.

^{1/}Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Administrative Code Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Administrative Code.

Eleanor Johns Page 2

In addition, Commission Regulation 18431(a)(2) provides that the following expenditures made by an agent or independent contractor must be reported by the candidate or committee:

Expenditures to any person, other than an employee of the agent or independent contractor, who furnishes the candidate or committee with products or services which show how the campaign is conducted, including but not limited to expenditures for:

(B) Advertising time or space

. . . .

Therefore, when payments are made to a media consultant and the consultant arranges and pays for broadcast time on behalf of the committee, each entity which receives a payment of \$100 or more must be itemized on the committee's campaign statement. Attachment Schedule E-1 (enclosed) can be used for itemizing payments made by the media consultant. Or, if you prefer, the payments can be itemized on Schedule E.

Sincerely,

Diane M. Griffiths

General Counsel

By: Jeanne Pritchard

Division Chief

Technical Assistance and

Deanne Prititard

Analysis Division

DMG:JP:lm